



Clyde C. Holloway
Commissioner

Louisiana Public Service Commission

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April 22, 2011

FCC Chairman Julius Genachowski
Commissioner Michael Copps
Commissioner Robert McDowell
Commissioner Mignon Clyburn
Commissioner Meredith Baker
445 12th Street, SW
Washington, DC 20554-0005

**Re: *Potential Elimination of Funding for Rural Telecommunications Companies
FCC Notices in the Matter of Connect America Fund***

Dear Mr. Chairman and Commissioners:

This is to ask for your help in opposing proposals that would drastically reduce infrastructure investment and jobs in Louisiana. The federal universal service fund (USF) supports rural telecommunications services in Louisiana. The Federal Communications Commission (FCC) regulates distribution of that support to rural companies.

The FCC's proposed elimination of the USF will place rural communities at risk of losing service, leaving those communities with fewer choices, reduced coverage, and higher prices. If only one or two companies are left in rural areas of the state, they will be national carriers, and consumers will suffer from the high pricing and reduced service quality of a monopoly or duopoly.

While I understand and support the need to expand access to broadband, the proposed policy could have the unintended consequence of driving funding to extremely remote areas at the expense of support for the infrastructure that delivers telecommunication services to rural communities across Louisiana. A material portion of the funding is provided thanks to the citizens of Louisiana; Louisiana therefore should have the ability to ensure its citizens have the telecommunications they require and desire. We urge you not to take action that could result in dismantling of cellular towers serving tens of thousands of Louisiana residents. The best path to broadband is to preserve the ability to deploy it as an efficient incremental investment on existing networks. Many small and mid-sized wireless companies have already built cell sites providing the only reasonable coverage of rural areas. Those sites should be maintained as a platform for broadband, particularly in rural areas where mobility is critical for public safety, agriculture and travel. Without them, we'll have less broadband in rural areas.

It appears the FCC intends to provide reduced funding, to one company only, based on a federal auction instead of proceedings at the State Commissions, and only in areas where there is no broadband service yet. **So there would be no support for any rural networks in areas where any other company, such as Verizon or AT&T, seems to be already providing broadband (as you know, "national" rollout does not always mean sufficient broadband to meet the needs of consumers throughout rural areas).**

The elimination of USF support for small and medium sized competitive carriers would mean the **potential loss of jobs and damage to existing telecommunications systems throughout Louisiana**. The current USF funds are put to work in Louisiana to support investment in telecommunications equipment, switches, lines, cell sites, and other network equipment. This helps companies create and keep jobs in Louisiana, such as network design engineers, operations engineers, project managers, cell site technicians, and more. For years, USF has supported deployment of telephone and wireless service in rural areas throughout the state, to the benefit of consumers, businesses, tax base, and public safety. The proposed FCC rule would eliminate that funding, most severely for wireless companies, and with it **valuable services to rural customers, Louisiana infrastructure, jobs for citizens, and tax revenues for the state**. This would be unfortunate, because mobile phones best meet the needs of many consumers, as shown by increasing subscribership. Support must be sustained for the infrastructure that efficiently provides these services and the local businesses that build service plans and coverage best suited for our areas.

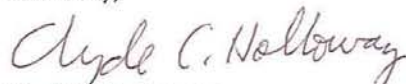
While I share your passion for promoting access to broadband, I support a more measured approach that takes into consideration the value of existing telecommunications infrastructure and the choices and reliability that infrastructure provides customers in rural communities across Louisiana.

I ask that you consider the following proposals in your deliberations:

1. **Keep Existing USF for Small and Regional Businesses, Including Wireless as well as Landline Companies.** The local networks that best serve the customers in our areas represent significant investments that should not be wasted, but instead sustained to not only maintain service to existing customers but also provide a platform for future broadband deployments.
2. **Keep Existing USF for Federal and State Identified Tribal Lands.** These deserving areas are some of the most hard pressed for telecommunications.
3. **Keep Existing USF for areas with low population densities and median income less than the most recent U.S. Census estimate of the national average.** Consumers in remote areas with lower than average incomes need better communications options and coverage, not less.
4. **If the Commission insists on holding "reverse auctions," there should be several winners in each area, the resulting support should be sufficient to offset the cost to the winner of meeting any additional regulatory requirements, and the rules should not impose big paperwork burdens on small businesses.**

Thank you for allowing me to provide input. As a fellow public official, I appreciate your commitment to balance the various competing interests in this matter. I only ask that you consider the consequences to the existing telecommunications infrastructure and the various services it provides citizens across rural Louisiana when you make your final decision.

Sincerely,



Clyde C. Holloway

Public Service Commissioner, District IV of Louisiana

Cc: Marlene H. Dortch, *Secretary, Federal Communications Commission*